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## BY MESSENGER

Mary L. Cottrell, Secretary  
Department of Telecommunications and Energy  
One South Station  
Boston, MA 02110

**Re: Docket DTE 01-20**

Dear Ms. Cottrell:

On behalf of AT&T, I write to report an important discrepancy between the record evidence and the non-recurring charge ("NRC") that Verizon has proposed for a feature change on behalf of an existing UNE customer. Because a dispute has arisen regarding this NRC in connection with Verizon-New York's UNE tariff compliance filing, AT&T believes it is critical that the record before the DTE be absolutely clear on this issue. Most of the issues raised by the feature change NRC are general issues that have been fully briefed by the parties. However, there is an additional issue raised by the record evidence that the Department may need to resolve, depending on its general treatment of NRCs. We respectfully urge the Department to consider the points made in this letter, and in any appropriate response that Verizon may choose to file, in rendering its decision on the merits in this proceeding.

Features – such as caller ID or call waiting – are provided by the switch,<sup>1</sup> and thus are available in connection with a UNE-P order (which includes switching) but are not available in connection with an unbundled loop or UNE-L order. Features can be ordered when a CLEC first requests UNE-P service for a retail customer. In addition, a UNE-P customer may subsequently ask that features be added or deleted from their service. In that case, Verizon proposes charging an NRC for that feature change order, which in this proceeding Verizon has described as an order for "Features – with Subsequent Service Order."

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<sup>1</sup> See, e.g., Verizon Tariff D.T.E. MA No. 17, § 6.1.2 (available at [http://www.bellatlantic.com/tariffs\\_info/intra/efftar/ma/ma17/pdf/b\\_sec6.pdf](http://www.bellatlantic.com/tariffs_info/intra/efftar/ma/ma17/pdf/b_sec6.pdf)); Verizon CLEC Handbook § 2.4.1 (available at [http://www22.verizon.com/wholesale/handbooks/section/0,,c-3-2-2\\_4,00.html#P52\\_2087](http://www22.verizon.com/wholesale/handbooks/section/0,,c-3-2-2_4,00.html#P52_2087)); Verizon's UNE-P Standard Intervals, 3/22/02 at 3 (available at <http://www22.verizon.com/wholesale/attachments/UNE-PStdIntvls.pdf>).

In the final incarnation of its NRC cost study, Verizon proposed an NRC of \$7.04 for changing the features for an existing UNE-P customer.<sup>2</sup> This amount is entirely for processing the service order.

The feature change is implemented electronically by the local switch, and no physical work is required. Verizon concedes that no central office wiring, provisioning, or field installation work would ever be required to process a feature change, and thus it does not propose any NRC for those categories for a feature change.<sup>3</sup>

Thus, a feature change is a prime example of an order for which no NRC is appropriate. Service order processing should be handled electronically in a forward-looking network, as AT&T has explained and as the evidence shows.<sup>4</sup> Verizon's proposed service order charge is justified solely by the assertion that its Telecom Industry Services Operations Center ("TISOC") will have to get involved to process a certain share of orders.<sup>5</sup> However, it is undisputed that there would be no TISOC activity required for any CLEC order that should flow through Verizon's OSSs.<sup>6</sup> Verizon has further conceded that orders should flow through its OSSs and never require manual handling by the TISOC if they are not "complex," meaning that "they require manual design and assignment type of work," and if they are not "so large in quantity that there may not be adequate facilities in the field to complete the order."<sup>7</sup> A feature change for an existing UNE-P customer could never fall into either of these categories – no design or assignment of additional physical facilities could ever be required – and thus feature change orders would never require TISOC handling.

Furthermore, the record evidence reveals an additional point regarding this particular proposed NRC. When Verizon revised its estimated TISOC worktimes for the final version of its NRC study, Verizon asserted that the average Service Order cost for UNE-Loop orders would be \$7.04 (down from \$10.62), but that the average Service Order cost for UNE-Platform orders would be only \$0.65 (down from \$1.14).<sup>8</sup>

Verizon has therefore erred when it assigned the \$7.04 Service Order cost to feature change orders. As discussed above, feature change orders have nothing to do with UNE-L orders, and do not involve the assignment or movement of any physical facilities. Thus, even if some Service Order charge were permitted for feature change orders, it should be no more than the \$0.65 cost that Verizon associates with initial UNE-P orders. A feature change order is nothing more than a slight revision to an existing UNE-P order, and should not require any additional effort to process. There

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<sup>2</sup> See Ex. Vz-21, p.1, line 28.

<sup>3</sup> *Id.*

<sup>4</sup> AT&T's Initial Brief at 251-252.

<sup>5</sup> See Verizon Non-Recurring Cost Model, Tab 28 (detail for "Features – with Subsequent Svc Order").

<sup>6</sup> Tr. 518, 1/16/02 (Meacham).

<sup>7</sup> Tr. 520, 1/16/02 (Meacham).

<sup>8</sup> Verizon Response to RR-DTE 19.

Mary L. Cottrell

May 6, 2002

Page 3

is no evidence to the contrary, and Mr. Meacham's testimony regarding the limited circumstances in which the TISOC would ever get involved confirms that a feature change should either have no NRC or – at the most – have a Service Order charge consistent with or less than the Service Order charge of \$0.65 that Verizon itself has proposed for UNE-P orders.

Very truly yours,

Kenneth W. Salinger

pc: Service List for DTE 01-20